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# Supreme Court of the United States

October Term, 1966

No. [redacted] 42

SWITZERLAND CHEESE ASSOCIATION, INC.,
SCHWEIZERISCHE KAESEUNION A.G.,

*Petitioners,*

*against*

E. HORNE'S MARKET, INC.,

*Respondent.*

## PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

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E. HORNE'S MARKET, INC.,

*Respondent.*

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## PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

Petitioners, Switzerland Cheese Association, Inc. and Schweizerische Kaeseunion A. G., pray that a writ of certiorari issue to review the order of the United States Court of Appeals for the First Circuit, entered in the above-entitled case on October 19, 1965.

### Citations to Opinions Below

The District Court denied petitioners' motion without opinion. The opinion of the Court of Appeals printed in Appendix A hereto, *infra*, page 8, is reported in 351 F. 2d 552. It also appears in the Joint Record Appendix [1], pages 53a-55a.

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[1] The printed material filed in connection with this petition includes one volume of a Joint Record Appendix prepared by the Clerk of the Court of Appeals and containing selected portions of the record before the District Court and the proceedings in the Court of Appeals. This Joint Record Appendix is hereafter referred to as J.R.A.

## Jurisdiction

The order of the Court of Appeals was entered on October 19, 1965 (J.R.A. 55a). The jurisdiction of this Court is invoked under 28 U. S. C. Section 1254(1).

## Questions Presented

Petitioners are the exclusive representatives of the cheese manufacturers of Switzerland. They allege that respondent's use of the trade designation "Imported Swiss Cheese" on non-Switzerland cheese, without indicating the country of origin of the cheese, is deceptive and an unfair trade practice as a matter of law. Petitioners' motion for summary judgment granting a permanent injunction was denied by the United States District Court for the District of Massachusetts and petitioners' appeal was dismissed by the Court of Appeals for the First Circuit for want of jurisdiction.

The questions presented are:

1. Whether 28 U. S. C. § 1292 (a) (1) authorizes an appeal to the appropriate Court of Appeals from a denial by a District Court of a motion for summary judgment granting a permanent injunction; and

2. Whether the Court of Appeals for the First Circuit erred in dismissing the appeal from the denial of the motion for summary judgment granting a permanent injunction for want of jurisdiction, where 28 U. S. C. § 1292 (a) (1) expressly states that "the courts of appeals shall have jurisdiction of appeals from (1) interlocutory orders of the district courts of the United States . . . refusing . . . injunctions" and the Court of Appeals for the Second Circuit has repeatedly held that such denials are appealable.

## Statute Involved

The statutory provision involved is 28 U. S. C. § 1292 (a)(1), (the Act of June 29, 1948, c. 646, 62 Stat. 869 § 1292 (1)). This section is printed in Appendix B, *infra*, page 11.

## Statement

E. Horne's Market Inc., the respondent and hereinafter referred to as Horne, operates a meat and cheese stall at Faneuil Hall Market in Boston. Horne has displayed and sold Swiss-type cheese produced in Finland and Austria as "Imported Swiss Cheese" without indicating the country of origin of the cheese (J.R.A. 15a, 16a).

Petitioners, the exclusive representatives of all the cheese producers and cheese exporters of Switzerland (J.R.A. 23a, 25a, 26a), contend that

(a) the trade designation "Imported Swiss Cheese" inherently and primarily means cheese imported from Switzerland (J.R.A. 23a, 27a, 28a), and

(b) the use of this designation to identify non-Switzerland cheese is deceptive and an unfair trade practice as a matter of law, unless the country of origin of the cheese is also identified (J.R.A. 9a, 10a).

The action was originally commenced on November 19, 1963 in the United States District Court for the District of Massachusetts for trademark infringement and unfair competition (J.R.A. 1a, 3a).

After issue was joined, petitioners took the deposition of Horne's treasurer and business manager Melvin Green (J.R.A. 17a) and served upon Horne a Request for Admission of Facts pursuant to Rule 36 of the Federal Rules of Civil Procedure (J.R.A. 15a). As a result thereof, Horne admitted that

(a) it had been selling Swiss cheese made in Finland and/or Austria under the designation "Imported Swiss Cheese" without specifying the country of origin of such cheese (J.R.A. 15a, 16a, 19a);

(b) it had sold such cheese at a lesser price than the price commanded by Switzerland Swiss cheese (J.R.A. 19a); and

(c) it knew that its cheese was imported from countries other than Switzerland (J.R.A. 15a, 18a).

Petitioners thereupon brought a motion for summary judgment granting a permanent injunction enjoining Horne from selling and offering for sale as "Imported Swiss Cheese" any Swiss-type cheese other than Swiss cheese made in Switzerland and selected and approved by petitioners for export to the United States, unless the name of the country from which the cheese has been imported is used in words or letters of equal prominence therewith (J.R.A. 20a).

The motion was brought on the premise that no material facts were in dispute and there was no genuine issue which had to be tried.

Horne opposed the motion which was denied by the District Court without opinion (J.R.A. 47a).

Petitioners thereupon appealed to the Court of Appeals for the First Circuit (J.R.A. 48a). The jurisdiction of the Court of Appeals was invoked under 28 U. S. C. § 1292 (a)(1) (Appendix B, *infra*, p. 11). In support of their contention that the Court of Appeals has jurisdiction under the statute, petitioners relied in their brief on the decision of the Court of Appeals for the Second Circuit in *Federal Glass Company* v. *Loshin, et al.*, 217 F. 2d 936 (1954). The majority opinion of Circuit Judge Learned Hand in the *Federal Glass* case is reproduced herein as Appendix C, *infra*, page 12. Petitioners' brief also pointed out that the Second Circuit had followed the *Federal Glass* case doctrine,

as enunciated in Circuit Judge Learned Hand's opinion, in *Peter Pan Fabrics, Inc.* v. *Dixon Textile Corporation*, 280 F. 2d 800 (1960) where the Court stated:

> "Defendant-appellee contends that the orders denying summary judgment are not appealable because not final; appellant that they are appealable as orders denying injunctions. 28 U. S. C. 1292 (1). The matter is settled in this circuit in favor of appealability by *Raylite Electric Corp.* v. *Noma Electric Corp.*, 2 Cir., 1948, 170 F. 2d 914, *Federal Glass Co.* v. *Loshin*, 2 Cir., 1954, 217 F. 2d 936, *United States* v. *New York N. H. & H. R. R. Co. et al.* (*Glenmore et al.* v. *Ahern et al.*), 2 Cir., 276 F. 2d 525, with which my brothers are in accord."

Petitioners' brief also drew attention to the conflicting decisions of the Third Circuit in *Morgenstern Chemical Co.* v. *Schering Corp.*, 181 F. 2d 160, and *Hook* v. *Hook & Ackerman, Inc.*, 213 F. 2d 122, which were disapproved of by Circuit Judge Learned Hand in the *Federal Glass* case.

When petitioners' counsel answered the calendar call on October 4, 1965, Chief Judge Aldrich of the First Circuit stated that the appeal was dismissed for want of jurisdiction and that no oral argument would be heard. In his subsequent opinion (Appendix A, *infra*, p. 8), Chief Judge Aldrich, while acknowledging the conflict with the decisions of the Second Circuit, stated that "whatever may be the exact letter, the spirit of Section 1292(a)(1) is against plaintiff's position".

## Reasons for Granting the Writ

1. The decision of the court below is in direct conflict with the decisions of the Second Circuit as referred to hereinabove and spurns the express language of § 1292 (a) (1). Petitioners' position can be expressed no better than in Circuit Judge Learned Hand's words as appearing in the *Federal Glass* case:

> "Section 1291 provides for appeals from final judgments of all sorts, necessarily including an ap-

peal from a final judgment denying a permanent injunction. Section 1292 allows appeals from four different kinds of interlocutory orders of which the first is those "granting, continuing, modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions.' If these words be read literally, they appear to us indubitably to cover the denial of a motion for a permanent injunction, regardless of what may be the procedure or grounds of the moving party. Indeed, we do not understand that those, who deny any appeal, think otherwise, they base their interpretation upon the theory that the decision does not settle, and indeed does not even tentatively decide, anything about the merits of the claim; all it does is to hold that, upon the facts as shown, the cause must await a trial. Even were that so, it scarcely seems an adequate reason for disregarding language so unconditional as that of the section; but we do not wish to rely upon that. Under Rule 56(c), 28 U.S.C.A., to be granted a summary judgment, the moving party must show, not only that there is no 'genuine issue as to any material fact,' but also that he 'is entitled to a judgment as a matter of law.' If the decision is based upon these later words, it is obvious that a denial may finally settle a great deal, for usually a later judge will accept the law already laid down in the same action by an earlier judge.

* * *

It appears to us therefore that the considerations that presumably moved Congress in 1895 to grant appeals from interlocutory denials of preliminary injunctions—i.e. because it was unfair to leave suitors unprotected pending trial—should be deemed to apply to denials of permanent injunctions."

Clearly, the conflict between the First and Third Circuits on the one hand and the Second Circuit on the other in interpreting § 1292 (a) (1) involves an important question of statutory construction which can effectively be resolved only by the prompt action of the Supreme Court alone. *Shapiro* v. *United States*, 335 U. S. 1, 4; *New York* v. *Saper*, 336 U. S. 328, 329. The need for a uniform rule

on the point under consideration is obvious. *Commissioner* v. *Bilder*, 369 U. S. 499, 501. Surely, a litigant should be entitled to know whether he may as of right appeal from an order denying a permanent injunction irrespective of the circuit where the action is pending.

2. The substantive issue of the controversy between petitioners and respondent is one of law and not of fact. Whether or not it is deceptive to designate non-Switzerland cheese as "Imported Swiss Cheese" without indicating the country of origin of the cheese is a legal and not a factual question. A trial could not possibly aid the court below in resolving the controversy. Petitioners, therefore, seek a decision from the court below that, irrespective of the particular facts which may be involved, Horne's conduct is unlawful as a matter of law. Such decision evidently would be more valuable to petitioners and have more persuasive power in other jurisdictions than a decision which is based on a particular fact pattern which may differ in respect to the conduct of another wrongdoer who, however, commits the same wrong. The grant of a permanent injunction by way of a summary judgment is consequently of great importance to petitioners in the present case who attempt to protect their valuable trade designation "Imported Swiss Cheese" from dilution and infringement. The Court below deprived petitioners of a review of the merits of their cause for a reason which is contrary to the express provisions of the statute.

## CONCLUSION

**For the foregoing reasons, this petition for a writ of certiorari should be granted.**

Respectfully submitted,

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## Appendix A

**(Opinion of the Court)**

## UNITED STATES COURT OF APPEALS

**FOR THE FIRST CIRCUIT**

No. 6523.

SWITZERLAND CHEESE ASSOCIATION, INC., et al.,
*Plaintiffs-Appellants,*

*against*

E. HORNE'S MARKET, INC.,
*Defendant-Appellee.*

APPEAL FROM THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

Before ALDRICH, *Chief Judge,* HAMLIN, *Senior Circuit Judge,** and MCENTEE, *Circuit Judge.*

*David Toren, John J. McGlew, George L. Greenfield, Moses, McGlew and Toren* and *Wolfe, Greenfield & Hicken* on brief for appellants.

*Harold E. Cole* on brief for appellee.

October 19, 1965

ALDRICH, *Chief Judge.* This is an action for trademark infringement and unfair competition in which jurisdiction is posited upon the trademark laws, 15 U.S.C. § 1051 *et seq.*

* Sitting by designation.

*Appendix A*

The complaint sought a temporary and a permanent injunction and an accounting for damages. Prior to trial plaintiffs moved, on affidavits and counter-affidavits, for a summary judgment granting a permanent injunction. The district court, upon consideration, denied the motion. Plaintiffs appeal.

The first question is that of our jurisdiction. No determination was made, or sought for, warranting an interlocutory appeal under 28 U.S.C. § 1292 (b). Plaintiffs assert jurisdiction under section 1292 (a)(1), permitting appeals from "interlocutory orders of the district courts . . . granting, continuing, modifying, refusing or dissolving injunctions. . . ." We do not find this section appropriate.

Plaintiffs concede that they did not ask for, and made no showing in the district court warranting, an interlocutory injunction, and that all they sought, and presently seek, is a permanent injunction. It is equally clear that the district court did not finally deny a permanent injunction, but merely held that in the present posture of the case there is an issue of fact making a summary judgment inappropriate.

It must be apparent that the denial of an interlocutory injunction is not the same as an interlocutory denial of a permanent injunction. By hypothesis the need, or alleged need, for an immediate appeal is urgent in the former case. Contrariwise, a final appeal from the interlocutory denial of a permanent injunction may never be needed; the court, when the evidence is taken, may grant, rather than deny, relief.

Because of the general policy against piecemeal appeals, statutes permitting interlocutory appeals are to be construed with some strictness. On this basis, whatever may be the exact letter, the spirit of section 1292 (a)(1) is against plaintiff's position. In this we agree with cases such as *Morgenstern Chemical Co.* v. *Schering Corp.*, 3 Cir., 1950, 181 F. 2d 160, and *Hook* v. *Hook & Ackerman*,

*Inc.*, 3 Cir., 1954, 213 F. 2d 122. See also *Division 689* v. *Capital Transit Co.*, D.C.Cir., 1955, 227 F. 2d 19, and Clark, C.J., dissenting, in *United States* v. *New York, N. H. & H. RR.*, 2 Cir., 1960, 276 F. 2d 525, at 549, 552, *cert. den.* 362 U. S. 961 and 964.

Plaintiffs cite *Peter Pan Fabrics, Inc.* v. *Dixon Textile Corp.*, 2 Cir., 1960, 280 F. 2d 800. It is true that in that case the court upheld plaintiffs' position. We note, however, that the writer expressed his personal reluctance, but felt bound by the circuit's prior decisions. We are under no such disability. Furthermore, we think that the additional opportunity afforded by section 1292 (b) for interlocutory appeals under controlled conditions enacted since the original decisions in the Second Circuit makes strict construction of the other sections all the more desirable.

*Appeal dismissed for want of jurisdiction.*

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On the same day, October 19, 1965, the following order was entered:

ORDER OF COURT

October 19, 1965

This Cause came on to be heard upon appeal from the United States District Court for the District of Massachusetts, and was submitted on briefs by direction of the Court.

Upon consideration whereof, it is now here ordered as follows: The appeal herein is dismissed for want of jurisdiction.

By the Court:

/s/ ROGER A. STINCHFIELD,
Clerk.

Enter:

/s/ ALDRICH, *Ch. J.*

## Appendix B

### Act of June 2, 1948, 28 U. S. C. 1292(a)(1)

**§ 1292. Interlocutory decisions**

(a) The courts of appeals shall have jurisdiction of appeals from:

(1) Interlocutory orders of the district courts of the United States, the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands, or of the judges thereof, granting, continuing, modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions, except where a direct review may be had in the Supreme Court;

• • •

## Appendix C

**Conflicting Opinion**

UNITED STATES COURT OF APPEALS

SECOND CIRCUIT

No. 23226

Motion Submitted Oct. 4, 1954

Decided Dec. 3, 1954

217 F. 2d 936

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FEDERAL GLASS COMPANY,

Appellant,

v.

SAMUEL LOSHIN, et al.,

Appellees.

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Before:

CLARK, *Chief Judge,* and L. HAND and FRANK, *Circuit Judges.*

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L. HAND, *Circuit Judge:*

The defendants move to dismiss an appeal, taken by the plaintiff from an order that denied its motion for a summary judgment in an action to enjoin the defendants (a) from copying the plaintiff's trade name and corporate title, (b) to compel them to account for any profits, and (c) to pay damages. (The complaint included a prayer both for a permanent injunction and for an injunction pendente lite.) The plaintiff's motion came on to be heard after answer upon numerous affidavits filed by both parties, and upon the plain-

tiff's answers to interrogatories put by the defendants. Judge Smith denied it in a written opinion, 126 F. Supp. 737, substantially for the reason that the plaintiff had not proved that its trade name had become widely enough known in the defendants' market before the defendants had themselves begun business. Both parties agree that the order was interlocutory; their difference is whether it is nevertheless within the meaning of § 1292(1) of Title 28 U. S. C. A., as an order "refusing" an injunction. The decisions are not uniform. We held in Raylite Electric Corp. v. Noma Electric Corporation, 2 Cir., 170 F. 2d 914, that an appeal lay from such an order, and the Fifth Circuit did the same in International Forwarding Co. v. Brewer, 181 F. 2d 49. On the other hand the Third Circuit in Morgenstern Chemical Co. v. Schering Corp., 181 F. 2d 160, examined the question with much learning and dismissed the appeal, and it has followed that decision in a later case, Hook v. Hook & Ackerman, Inc., 213 F. 2d 122; and Mr. Moore accepts their view.[1] We agree that, as Judge Hastie said in Morgenstern Chemical Co. v. Schering Corp., supra [181 F. 2d 161], our decision was made "without analysis of the problem"; owing to the fact that we mistakenly thought that the question did not demand analysis.

Section 1291 provides for appeals from final judgments of all sorts, necessarily including an appeal from a final judgment denying a permanent injunction. Section 1292 allows appeals from four different kinds of interlocutory orders, of which the first is those "granting, continuing, modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions." If these words be read literally, they appear to us indubitably to cover the denial of a motion for a permanent injunction, regardless of what may be the procedure or grounds of the moving party.

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[1] Moore, Federal Practice, Vol. 6, pp. 2321, 2322.

Indeed, we do not understand that those, who deny any appeal, think otherwise; they base their interpretation upon the theory that the decision does not settle, and indeed does not even tentatively decide, anything about the merits of the claim; all it does is to hold that, upon the facts as shown, the cause must await a trial. Even were that so, it scarcely seems an adequate reason for disregarding language so unconditional as that of the section; but we do not wish to rely upon that. Under Rule 56(c), 28 U. S. C. A., to be granted a summary judgment, the moving party must show, not only that there is no "genuine issue as to any material fact," but also that he "is entitled to a judgment as a matter of law." If the decision is based upon these later words, it is obvious that a denial may finally settle a great deal, for usually a later judge will accept the law already laid down in the same action by an earlier judge. Moreover, to reach such a decision the "discretion of the chancellor" may be "invoked"; "equitable considerations" may be "weighed"; or the "conclusion" may be "reached with with respect to the equity of the claim that a restraint should be imposed." But, even when the denial is because there is a "genuine issue as to any material fact," the decision is not confined to deciding that the claim must await a trial, although that of course is one of its results. Subdivision (c) requires the judge to pass upon "the pleadings, depositions, and admissions on file, together with the affidavits"; and subdivisions (d) and (e) not only provide that the affidavits on both sides "shall be made on personal knowledge, shall set forth such facts as would be admissible in evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein"; but also that so far as may be possible all facts shall be decided even though the motion be denied. We cannot escape the belief that the decision involves much more than that it will be better to await a trial; and this is borne out by a substantial

body of decision that the question is the same as that raised by a motion to direct a verdict in an action tried to a jury.[2] For example, in Sartor v. Arkansas Natural Gas Corp., 321 U. S. 620, 624, 64 S. Ct. 724, 727, 88 L. Ed. 967, the Supreme Court said: "But at least a summary disposition of issues of damage should be on evidence which a jury would not be at liberty to disbelieve and which would require a directed verdict for the moving party."

It is of course true that the motion is not a substitute for a trial, against the possibility of which courts—ourselves especially—have been solicitous to protest. There always remains the high hurdle over which the plaintiff must leap, who would secure such a judgment; i.e. the record, as it comes before the court, is of necessity limited to evidence that can be put into writing or contained in exhibits; and, as we have never tired of saying what is left out may be, and frequently is, the most important part. Besides at least in actions triable to a jury, the handicap is greater even than this; for the court must refuse to decide any issues whose answer admits of reasonable doubt. Therefore, to say, even though the denial has been because there was a "genuine issue of fact," that nothing is decided, and that nothing can be settled, appears to us an untenable generalization. That everything is not decided is certainly no objection, else denials of preliminary injunctions would also be excluded, and § 1292(1) would be altogether nullified.

Finally, although a preliminary injunction gives the plaintiff relief until the trial, it insures him of nothing more, and he cannot arrange his affairs upon the basis of any protection after the trial. That uncertainty, which may last over a year, may be nearly as serious as the absence of any

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[2] Fishman v. Teter, 7 Cir., 133 F. 2d 222, 223; Madeirense Do Brasil S/A v. Stulman-Emrick Lumber Co., 2 Cir., 147 F. 2d 399, 405; Dewey v. Clark, 86 U. S. App. D. C. 137, 180 F. 2d 766, 772; Hurd v. Sheffield Steel Corp., 8 Cir., 181 F. 2d 269, 271.

protection at all. It appears to us therefore that the considerations that presumably moved Congress in 1895 [3] to grant appeals from the interlocutory denials of preliminary injunctions—i.e. because it was unfair to leave suitors unprotected pending trial—should be deemed to apply to denials of permanent injunctions. The original omission of any mention of these is readily accounted for by the fact that it was not until 1938, when the New Rules went into effect, that it was possible to move for summary judgment in a Federal Court. Although we are impressed by the high authority of those who take the opposite view, we are not persuaded that we should change our original ruling; and the motion will be denied.

Motion denied.

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[3] 28 St. at L. 666.